





advice. Consult an attorney about any issues of legal significance to you & your company.

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Real Talk. **Real Resources.**

CEA provides **Peace of Mind** with exceptional human resource compliance solutions, training and recruiting services. Members receive unlimited phone support with HR experts, onsite assistance, and a multitude of online resources.

What We Provide:

 Quick and responsive answers to HR questions Employment forms, policies, handbooks, guidelines, and fact sheets

Training for supervisors, managers, and employees
 Consultation on workplace issues and negotiations

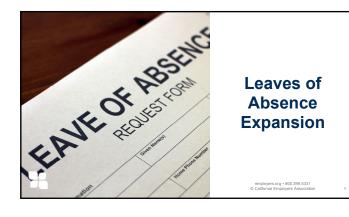


This Year's Takeaway:

2024 is the year to update your **employee handbook**. All employers must provide more paid sick leave, new employee-friendly NLRB standard for determining if workplace rule is unlawful, new FEHA protections, etc.

Email handbook requests to **CEAinfo@employers.org**

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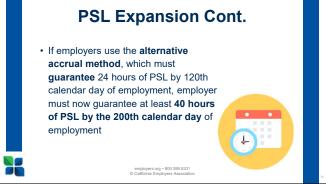


SB 616: PSL Expansion

- Increases annual amount of paid sick leave from three days or 24 hours, to five days or 40 hours. May use five days or 40 hours each year.
- Can still use lump sum or accrual method
- For accrual method, the cap on sick leave is increased from 48 hours or six days, to **80 hours or 10 days**
- Accrual rate is still at least one hour for every 30 hours worked (which includes overtime hours)

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Question:

We use a **lump sum approach**, based on **anniversary date**. We previously gave 3 days/24 hours. Can we wait until each employee's anniversary date next year to reset to 5 days/40 hours?

Answer:

 No. You can either furnish everyone with the additional 2 days/16 hours as of January 1 and continue using anniversary dates as the reset going forward <u>OR</u> change your policy to reset everyone on January 1 each year instead and provide the 5 days/40 hours.

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Answer: Update your PSL policy and required poster Will you alter your vacation accruals or paid holidays? Update Wage Theft Notices (LC s. 2810.5) for hourly employees (updated template from DIR) Update PSL amounts listed on wage statements Review local sick leave ordinances as applicable Need workplace posters? Available on CEA's store at employers.org

SB 848: Reproductive Loss Bereavement Leave

- Employers with 5 or more employees must provide 5 days of bereavement leave for each "reproductive loss event"
 Eligible: employed 30+ days
- Eligible: employed 30+ days
 May limit to 20 days in a 12-month period
- Defined as: failed adoption, failed surrogacy, miscarriage, stillbirth, or unsuccessful assisted reproduction.



Confidentiality protections
 Cannot request certifying documentation

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Reproductive Bereavement Cont.

- Must use leave within 3 months of event (unless employee takes another protected leave first, e.g., CFRA/FMLA [does not run concurrently] = may take bereavement after other leave)
- Leave days need not be consecutive
 Unpaid but employees may use
- accrued time
- Revise bereavement leave policy!





New Employee Protections

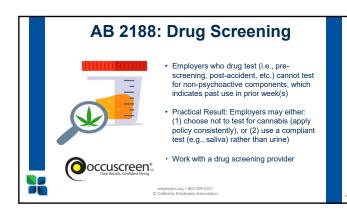
AB 2188: Cannabis-Use Rights



New FEHA protected class · Employers cannot discriminate or take adverse action against employee or applicant for using cannabis while off the job and away from the workplace

- Does not permit an employee to possess or be impaired by cannabis while on the job
- Exceptions: Building and construction trades, when testing required by state/federal law, etc.

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SB 700: Cannabis History

- Also unlawful to request information from an applicant regarding their prior cannabis use
- Exception: may consider prior cannabis use obtained in connection with criminal history ONLY IF employer follows all requirements under Fair Chance Act (more on that soon!)



To Dos:

- If you have tested employees for cannabis, determine whether you will continue to test for it or use salivabased or other compliant testing
- Update drug policies as needed
- Train managers on new protections

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SB 699: Non-Compete Agreements

- Expands CA's prohibition on non-compete agreements under Business and Professions Code
- Protections apply **regardless of where/when contract was signed** and where **employment was maintained** (i.e., even outside of California)
- Creates a private right of action for violations, including attorney's fees, for prospective, current, and former employees
- Audit your employment agreements and consult legal counsel

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AB 1076: Void Notice (Non-Competes) Employers must send a written, individualized communication to all current and former employees who were employed after January 1, 2022 and entered into a non-compete clause or agreement (unless under a permitted exception in Business & Professions Code) Deadline: February 14, 2024 (Happy Valentine's Day!) Must send to last known address and email address Violations = unfair competition claim

SB 497: Retaliation Presumption

- Creates a **rebuttable presumption** that employer engaged in **unlawful retaliation** if they take **adverse action against** the employee **within 90 days** of the employee's protected action under the Labor Code (e.g., wage claim or complaint about equal pay)
- Outcome: Employer will have burden of proving with sufficient evidence that adverse action was not related to protected activity

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FAIR CHANCE ACT

CAN'T INQUIRE INTO CRIMINAL HISTORY

Prohibits employers with 5 or more employees from inquiring into criminal history in the interview process

UNTIL AFTER A CONDITIONAL JOB OFFER

Can ask about past criminal history (and/or conduct a background check) AFTER a conditional job offer has been extended

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CAN ONLY DENY JOB IF "DIRECT AND ADVERSE" RELATIONSHIP TO DUTIES

Even if something "pops up" in the background check process, can't deny job UNLESS able to show conviction history has a "direct and adverse" relationship with the specific duties of the job

Expanded Protections

In addition to protecting candidates for employment, regulations now also protect:

- · employees applying for internal positions
- employees indicating a <u>desire</u> to be considered for a different position

Also includes situations when employees are being evaluated due to organizational changes in ownership, management, policies or practices (e.g., after a business is sold)

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Question:

My manager was having a casual conversation with our employee, Betty, who disclosed she has a drug conviction. My manager does not want to consider her for promotion now. Is this okay?

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Answer:

No! The manager must first consider her without regard to criminal history (employees up for promotion are protected). The law applies even if the disclosure is unprompted and **voluntary**.

New Considerations for Individualized Assessment

- Additional factors to consider for assessment
- CEA has a fact sheet for members
- Applicant may choose to provide evidence challenging conviction, or rehabilitation and/or other mitigating circumstances
- Employer cannot require applicant to provide this information and/or specific documentation
- **Document** examples (must be considered if provided):
- Employment history records;
- · Vocational, training, rehabilitation certificates;
- · Letters of Reference;
- Documentation of traumas; (e.g., police reports)Documentation of disability (e.g., medical records)
- Dood

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NLRA Overview

- The NLRA, which is enforced by the National Labor Relations Board, includes protections which apply to all employees
- It is a common misconception that NLRA protections only apply to union employees/CBAs
- Section 7 grants employees the right to communicate about wages, hours, and terms & conditions of

employment



NLRB & Workplace Rules

Based on recent cases:

- A challenged workplace rule will be presumed unlawful if it has a
 reasonable tendency to chill employees' exercise of their rights
- The employer may rebut that presumption by proving that the rule advances a legitimate and substantial business interest and cannot advance that interest with a more narrowly tailored rule
- For more information: <u>California Employers Association Review Your</u>
 Policies With a Magnifying Glass

These issues have been addressed in CEA's 2024 Handbook. Contact CEA for handbook/update options

Examples:

- Unlawful: "Discuss work matters only with other employees who have a specific business reason to know or have access to such information."
- Likely Permitted: "Do not disclose confidential financial data or other nonpublic proprietary company information. Do not share confidential information regarding business partners, vendors, or customers."

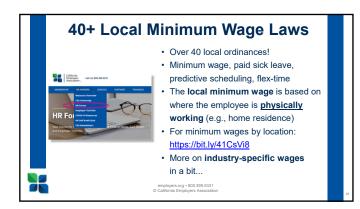
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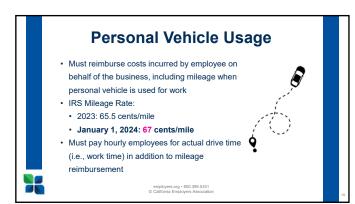
To Dos:

- Audit job applications, interview questions, etc. to ensure compliance with criminal history protections
- **Train** managers/those involved in hiring process on prohibited criminal history questions
- Audit/update employee handbooks and policies in accordance with new NLRB standard



M	Minimum Wage & Exempt Salaries					
	All Employers – Regardless of Size!					
	Non Exempt / Hourly	Exempt / Salary (Yearly)				
	\$16.00	\$66,560				
	For employee relations tips on transitioning from exempt to non-exempt: bit.ly/Exempt_to_Nonexempt engloyers.org = 400.390.531 e Catlorine Employers Association					





Physician/Computer Prof. Salaries

Physicians/Surgeons:

Minimum hourly pay for licensed physicians / surgeons increased from \$97.99 to **\$101.22**

Computer Software Professionals:

-Minimum hourly rate of pay increased from \$53.80 to **\$55.58**

-Minimum monthly salary increased from \$9,338.78 to **\$9,646.96**

–Minimum annual salary increased from \$112,065.20

to \$115,763.35 employers.org - 800.399.5331 © California Employers Association

Remote Work Expense

Reimbursements



If you require remote or hybrid work (or encourage it): you should cover at least "basic WFH costs" such as:

- Internet (and likely other utilities)
- Office equipment (e.g., laptop, printer, etc.)
- Personal mobile phone use

To Dos:

- Check your county and city minimum wage laws
- Expect minimum wage **poster updates**
- Execute **remote work agreements** to define remote work parameters, including reimbursement
- Pay compensable time and **reimburse** employees for business-related travel beyond their normal commute
- Budget for minimum wage and salary increases



SB 553: WVPP

- New requirement to establish, implement, and maintain a written workplace violence prevention plan (WVPP) by July 1, 2024
- Includes training requirement for employees when WVPP is established and annually thereafter

- Teleworking employees
 Places with fewer than 10 employees at any given time & not accessible to the public

Exceptions:

- + a compliant IIPP
 Healthcare facilities (already covered in their own standard)
- standard)
 Dept. of Correction and Rehabilitation facilities
 Law enforcement agencies

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WVPP Cont.

- May be incorporated into IIPP or as a standalone document
- Inspections required when plan is first established, after incidents/new hazards, and periodically
- Must record incidents on violent incident log following investigation
- **Records** of identification, evaluation, and correction maintained for at least 5 years
- Training records maintained for 1 year
- Requires Cal/OSHA to propose standards for WVPP by Dec. 31, 2025, and by Dec. 31, 2026, for the Standards Board to adopt the standards

Question:

What are some examples of recordable violent incidents?

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Answer:

- Physical attack with or without a weapon;
- Threat of physical force or use of weapon;Sexual assault or unwanted verbal or
- physical sexual conduct (consider employee complaints!);
- Animal attack;
- Other

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COVID Reminders



- Cal/OSHA's "Permanent" COVID Standard in effect through February 3, 2025 (with certain record-keeping requirements lasting until February 3, 2026)
- Still required to have a written COVID Prevention Plan, required exclusion after testing positive, additional precautions during outbreaks, etc. (CEA members refer to our COVID Toolkits!)
- No longer required: Employee notification of positive cases and reporting to workers' compensation carrier as of January 1, 2024
- Must still notify anyone who is a close contact!



AB 1228: Fast Food Chains

- Agreement between labor and fast-food companies: FAST Act was repealed (AB 257) and replaced with new terms under AB 1228
- \$20/hour minimum wage will go into effect on April 1, 2024 for covered workers
- Fast Food Council (under DIR) created to recommend working conditions and set minimum wage each year (subject to caps) until 2029



Who is Covered?

All "limited-service restaurants" that are part of chains with over 60 establishments nationally. Limited-service restaurant defined as primarily engaged in:

- Providing food & beverages for immediate consumption on or off premises
- · Patrons generally order or select items and pay before consuming · With limited or no table service

- Includes, but not limited to, NAICS Code 722513
- Exceptions for qualifying bakeries and grocery stores Unsure of coverage? Consult legal counsel

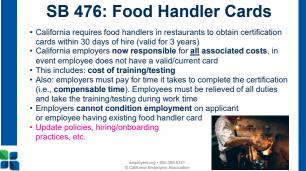
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AB 1228's Open Questions:

• What is meant by the term "primarily engaged?"

- · Are covered exempt employees entitled to an annual salary of **\$83,200** (2 X \$20 X 2080)? Likely yes.
- · For restaurants that operate within a different business (e.g., a Starbucks inside a Target, or a Subway inside a gas station), how does the fast food minimum wage apply?
- Will we see a de-facto \$20/hour minimum wage?
- · What new standards can we expect from FFC?





SB 525: HC Minimum Wage

- Creates a comprehensive minimum wage scheme for "covered healthcare employees," with 5 different schedules depending on how facility is classified.
- Classification is based on a number of factors
 Initially, minimum wages range from \$18/hour to \$23/hour by June 1, 2024, with set future increases thereafter
- To qualify as exempt, employees must be paid 1.5 times the HC minimum wage or **2 times** the applicable minimum wage, whichever is greater • Opportunity for waiver with DIR
- Generally does not include dental offices but does include community clinics
- Consult legal counsel regarding coverage and waiver questions



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Honorable Mentions:

- COVID-19 Right of Recall (SB 723)
- Indoor Heat Illness Standard??







